

Illinois

The Medicare Modernization Act of 2003 (MMA) provides an opportunity for Medicare beneficiaries in the State of Illinois to enroll in a Medicare-approved prescription drug discount card to help lower their drug costs. Beginning this June, the Medicare Prescription Drug Discount Card Program will enable Medicare beneficiaries to save discounts of 10 to 15 percent on average for their prescription drugs, and as much as 25 percent or more on individual prescriptions. In addition, the MMA enacted the Transitional Assistance Program, which provides a \$600 credit per year in 2004 and 2005 for the purchase of prescription drugs to beneficiaries with incomes that are 135 percent (or below) the federal poverty level, provided that individuals do not have Medicaid or other drug coverage.

Here's how this program is helping Illinois:

- Currently, there are over 40 million Medicare beneficiaries nationally, including 1,665,000 beneficiaries in Illinois. Of those in Illinois, 448,000 beneficiaries do not have any prescription drug coverage. This program primarily benefits these individuals by assisting them in paying for the drugs they need.
- Over the duration of the program, CMS estimates a potential for \$3.8 to \$5.1 billion in total beneficiary savings from discounted drug prices nationally.
- CMS expects that a total of 7 million Medicare beneficiaries, including 140,000 beneficiaries in Illinois, are currently eligible to participate in the Transitional Assistance Program. Over the duration of the program, this translates into a potential savings of \$8.6 billion nationally and \$168 million for beneficiaries in Illinois.
- Nationally, CMS expects 65 percent of eligible (low-income) beneficiaries to participate in the Transitional Assistance Program. This means that a total of close to 5 million beneficiaries are estimated to participate, including 91,000 in Illinois. Based on this assumption, these beneficiaries are expected to save a total of \$5 billion nationally and \$109 million in Illinois over the duration of the program.

Illinois has a combined total of 47 individual drug cards (excluding special endorsements). This includes 39 national drug cards, 4 regional card(s), and 4 Medicare Advantage exclusive card(s). See attachment for more information.

In addition, some States have other pharmacy programs that offer a prescription drug benefit. Illinois's state-funded program is entitled, "Circuit Breaker," which has close to 58,000 enrollees. Illinois spends about \$67 million per year on this program. Illinois also has a Medicaid Pharmacy Plus waiver, SENIORxCARE, in which approximately 172,000 Medicare beneficiaries with incomes up to 200 percent of the poverty level are enrolled. Like many assistance programs, not everyone who is eligible for this program signs up. Any of the remaining individuals could enroll in the Transitional Assistance program with \$600 credit under the drug card or the Medicaid Pharmacy Plus program.